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POLAND: Decline in Industrial Production

Industrial production dropped by about 5 percent in April and May despite the absence of labor strife. Production in May was 18 percent below the same month a year ago. Warsaw attributed the decline to a shorter workweek, growing absenteeism, and shortages of electric power, crude oil, and other materials. At the same time, rising wages are adding to inflationary pressures. Wages through May were up 25 percent over the same period last year. Food shortages, though still severe, are being eased by a seasonal surge in the availability of fresh vegetables. Because of favorable weather, there is a good prospect of the largest grain crop in two years.